

**EXTERNAL MANAGEMENT AGREEMENT BY AND BETWEEN
ADAMS 14 SCHOOLS SUCCEED, LLC AND
ADAMS COUNTY SCHOOL DISTRICT 14**

THIS EXTERNAL MANAGEMENT AGREEMENT (the “Agreement”), is made and entered into as of June 15, 2019 (the “Effective Date”), by and between ADAMS 14 SCHOOLS SUCCEED, LLC, a Colorado Limited Liability Company whose principal office is located at 4320 W. Kennedy Blvd, Tampa, FL 33609 (“A14SS”) and ADAMS COUNTY SCHOOL DISTRICT 14, located at 5921 East 60th Avenue, Commerce City, Colorado (“the District”), and sets forth agreements pursuant to which A14SS shall be engaged by the District. A14SS and the District are collectively referred to here as “the Parties.”

RECITALS

A. The District is a public school district, organized under the laws of the State of Colorado and governed by the Adams County School District 14 Board of Education (“the Board”) pursuant to Article IX, Section 15 of the Colorado Constitution.

B. Pursuant to an Order of the State of Colorado Board of Education (the “State Board”) dated November 27, 2018 (the “State Board Order,” attached here as Exhibit A), the Board has pursued an appropriate selection process to identify a Lead Partner entity (“Lead Partner”) to work as an external management partner organization (“EMO”) with the Board to manage the District using research-based strategies that have a proven track record of success in systemic improvement and turnaround work for schools, with community stakeholder engagement, and the capacity to fulfill the duties imposed by the U.S. Department of Education’s Office of Civil Rights (“OCR”) upon the District pursuant to the terms of the District’s resolution agreements with the OCR, as well as all other applicable laws.

C. A14SS is a Colorado limited liability company. It is a wholly-owned subsidiary of MGT of America Consulting, LLC (“MGT”), a Florida limited liability company and a leading provider of external management support to schools.

D. After a selection process and procurement undertaken in accordance with the District’s policies and procedures and the State Board Order, the Board has selected A14SS to act as the Lead Partner and EMO for the District to fulfill the State Board Order.

E. Pursuant to the Order, the Board hereby delegates to A14SS all formal decision-making authority needed to administer the affairs and programs of the District as the District’s EMO, subject only to the limitations mandated by the Colorado Constitution and statute, and to the Board’s retained authority as provided in District Policy BBA (attached hereto as Exhibit B) (“Retained Authority”) and. Subject to the Retained Authority, the Board’s grant of authority

and responsibility to A14SS as the EMO specifically includes the following authorities (collectively, the “Delegated Authorities”):

1. **Personnel/staffing.** A14SS shall have authority over recruiting and retaining personnel, taking necessary action to staff the district appropriately, such as teacher and administrator placement, transfer, and evaluation, recommending to the Board the non-renewal or renewal of employment contracts, action on at-will employees, and action on the superintendent’s contract, as well as exercising responsibility for employee group negotiations and recommending to the Board needed changes to the District’s collective bargaining agreements;¹
2. **Professional development and training.** A14SS shall have authority over the selection and schedules for professional development of teachers and administrators, including by providing coaching, mentoring, and training around instructional observation and feedback;
3. **Implementing an instructional program.** A14SS shall have authority to implement an instructional program, including developing/recommending curriculum, assessment systems, and scheduling;
4. **Identifying needs for consulting and professional services.** A14SS shall have authority to determine whether EMO partners need to be recruited and recommended to work under the direction of A14SS in the operation of individual schools or to support particular programs;
5. **Revising innovation plans.** A14SS shall have authority to develop and recommend innovation plans at the school and district level, pursue with the Board’s approval any waivers from federal or Colorado law needed to optimize student outcomes, and evaluate and make a recommendation on charter school applications;
6. **School climate and culture.** A14SS shall have authority to implement systems including student referral and discipline, multi-tiered systems of support, PBIS, restorative practice, and training regarding the same;
7. **Budgetary discretion.** A14SS shall have authority to manage the District’s annual budget as adopted by the Board, including state and federal grant dollars that are allocated to the District;
8. **Policy evaluation.** A14SS shall have authority to evaluate District policies and recommend amendments, revisions, or deletions;
9. **Operational excellence.** A14SS shall have authority to ensure operational excellence at the school and district level, coordinate community engagement efforts, and support ongoing local governance training for the Board, to drive substantive school and District improvement;

¹ If collective bargaining is undertaken pursuant to this provision, the District agrees to pay reasonable attorney fees and costs for the negotiation and drafting of any such collective agreements.

10. **Beyond Textbooks.** A14SS shall have authority to determine whether to continue provisions of the District's Revised Pathways Proposal from 2017, including but not limited to the District's partnership with Beyond Textbooks; and
11. **Other authority.** If A14SS reasonably needs other and further authority to create systemic improvement in teaching, learning, staff development, stakeholder engagement and other aspects of managing the District, or requires greater flexibility and freedom to implement its management programs, it may request delegation of such authority. The Board shall give appropriate consideration to all such requests and not unreasonably withhold its approval.

F. A14SS agrees to serve as Lead Partner and EMO to the District, agrees to perform the Scope of Work described in this Agreement, and acknowledges and accepts the Delegated Authorities and responsibilities to be performed in accordance with the Order and the terms of this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals, the terms and conditions stated below, and other good and valuable consideration, the Parties agree as follows:

I. SCOPE OF WORK

A14SS' scope of work services as the Lead Partner EMO (the "Services") shall be set out in this Agreement and one or more Annexes to this Agreement. Each Annex, upon execution by both Parties, shall by this reference be incorporated in and made part of this Agreement. Each Annex shall specify the Services to be performed by A14SS, key A14SS staff members assigned to assist in the performance of such Services, and the payment terms for such Services, as well as any other details specified by the Parties. Should the Parties mutually agree to change in any material way the Services as described in any Annex, an adjustment to A14SS's fees and promised delivery dates for such Services may be required. A14SS acknowledges that events outside the direct control of the Board, such as an order from the State Board providing for the closure, conversion, or external management of a District school, may necessarily reduce the Scope of Services and require an adjustment of A14SS's fees. A14SS undertakes to advise the District promptly should any such adjustment be necessary and to negotiate with the District, in mutual good faith, to arrive at a mutually acceptable revision to the applicable Annex.

As described in this Agreement and the Annexes, A14SS shall be responsible and accountable to the District to provide the Services. The Scope of Services described in the Agreement and the Annex(es) shall be the definitive statement of the Services to be provided by A14SS as the result of the negotiation and agreement between the Parties. For those actions of the Lead Partner EMO that require formal action by the Board, the Board will give appropriate consideration to the recommendations of A14SS and will not unreasonably withhold its

approval. A14SS's responsibility is expressly limited by: (a) budget and staffing for the District as reflected in any Annex, as approved and amended from time to time by the Board, and (b) solely to the extent expressed in Section IX.U. below, the availability of state and local funding to pay for the Services.

A14SS shall provide regular updates to the Board concerning the Services, on at least a monthly basis, including keeping the Board informed on the condition of the district's educational and support system. A14SS shall manage the Services to meet federal, state and local requirements, and the requirements imposed by this Agreement, unless such requirements are waived by the Board.

The Parties shall timely notify the other of any anticipated or known: (i) material health or safety issues, (ii) material labor, employee or funding problems, or (iii) problems of any other type that could materially and adversely affect the District's compliance with applicable law or the ability of either Party to perform this Agreement.

II. STAFFING

A14SS shall assign such staff members as identified in the applicable Annex to perform the Services, with backup Services provided by off-site employees and contractors. Should any of the employees listed in an Annex be unable to perform the Services, A14SS may substitute another similarly-qualified staff member as provided under the Delegated Authority and the terms of this Agreement; however, A14SS shall have, at its reasonable discretion, the right to substitute alternative similarly-qualified staff, consistent with the Delegated Authorities and pursuant to the terms of the Agreement. **All other persons that engage in activities at or for the District shall be employees of, contractors to, or volunteers of the District (the "District Staff"), and A14SS shall have no liability to or for such District Staff (i) under the terms of any District work agreement, employee benefit plan, worker's compensation program, tax withholding system or any other obligation of an employer to its employees or a contractor to its contracted parties, or (ii) for any action in tort, contract or other cause of action based upon the activities of District Staff and not involving A14SS or MGT employees or contractors.**

III. STANDARDS

A14SS shall perform all Services in a diligent, safe, and workmanlike manner, using its judgment pursuant to the highest standards of the profession for the Services. A14SS represents that the work performed will be in conformance with all applicable laws, statutes, rules, regulations, ordinances, and codes, and the orders of any governmental bodies that have been issued with regard to the District and of which A14SS has been made aware by the District. If A14SS's performance does not conform to such standards and the District notifies A14SS of same, A14SS agrees to immediately take all reasonable action necessary to remedy the

nonconformance, subject to the provision in Section I above regarding material adjustments to the Services as described in an amendment to an Annex.

IV. FEES AND DISBURSEMENTS

A14SS shall provide the Services for the professional fees set forth in the applicable Annex. Unless otherwise expressly stated in this Agreement, all necessary labor, licenses, materials, supplies, reimbursables, and other items necessary to complete the Services shall be part of and not in addition to the professional fees set forth in the applicable Annex.

All payments to A14SS shall be paid upon receipt of A14SS' invoices, which shall be issued no more than once every thirty (30) days. Invoices shall be delivered by A14SS to the District using the process for Notice provided in Section IX.Q. below, and shall be submitted in accordance with the payment schedule set forth in the applicable Annex. Payment shall be made by direct deposit by electronic funds transfer to the financial institution designated by A14SS in writing. A14SS reserves the right to impose an interest charge equal to one percent (1%) per month (12% per annum) upon any invoice that is unpaid thirty (30) days after receipt by the District.

V. INDEPENDENT CONTRACTOR

A14SS understands and acknowledges that this Agreement is a contract for services and that an employee-employer relationship does not exist between A14SS, MGT, or any of A14SS and MGT's employees and contractors, and the District. A14SS shall perform all Services using its judgment and expertise as an independent contractor and not as an employee of the District. **A14SS acknowledges that it is not entitled to workers' compensation, unemployment compensation or any other benefits from the District and that A14SS is obligated to pay or withhold for A14SS and MGT's employees and contractors any federal, state, local and other taxes on any monies earned or benefits received through the provision of EMO services for the District pursuant to this Agreement.**

Neither A14SS nor any agent or employee of A14SS or MGT shall be an agent or employee of the District, nor shall any of them have any authority, express or implied, to bind the District to any agreement or incur any liability or obligation attributable to the District, except as expressly provided for in this Agreement or the applicable Annex. Notwithstanding the above, the District, through its District Superintendent (or her or his designee) and the Board shall cooperate and act promptly to execute such agreements, take such actions, enact such District policies and procedures, and take such other actions as may be reasonably necessary for A14SS to carry out the Delegated Authorities.

VI. INTELLECTUAL PROPERTY

To the extent A14SS creates any work product, including without limitation, memoranda, photographs, spreadsheets, drawings, reports, data, submittals, and designs or plans or similar materials relating specifically to the Services (collectively “Work Product”), such Work Product shall become the intellectual property of the District. Work Product shall be delivered to the District during the course of performance of the Services and the District shall retain its intellectual property rights in the Work Product upon the earlier to occur of the completion of the Services, termination of this Agreement by either Party or material breach of this Agreement by A14SS. Work Product may be used by the District for any purpose within the District, but may not be sold or transferred to third parties. To the extent that any of the deliverable items may not, by operation of law, be works made for hire, A14SS hereby assigns to the District the ownership of copyright in the deliverable items and the District shall have the right to obtain and hold in its own name copyrights, which may be available in the deliverable items. A14SS agrees to give the District all assistance reasonably required to perfect such rights.

The District acknowledges that MGT, the parent organization of A14SS, is an educational consulting and management firm that has a history of operations, and continues to operate, around the United States. A14SS, as a wholly-owned subsidiary, may use materials developed by A14SS or MGT prior to A14SS entering into this Agreement, and A14SS and MGT may develop in the future or currently own other patent, trade secret, copyright, and other proprietary rights in techniques, concepts, documents, analytical programs, and other intellectual property that were not conceived or first produced by A14SS in the performance of this Agreement (collectively “MGT / A14SS IP”). MGT / A14SS IP is proprietary to MGT and/or A14SS and shall remain MGT and/or A14SS’s exclusive property. To the extent that any MGT / A14SS IP materials are contained in the Work for Hire, MGT and A14SS grant to the District an irrevocable, non-exclusive, worldwide, royalty-free license to use, execute, reproduce, display, perform, distribute (internally or externally) copies of and prepare derivative works based upon, such MGT / A14SS IT materials and derivative works thereof, to the same extent as if such incorporated MTG / A14SS IT materials were Works for Hire under the terms of this Agreement.

Neither A14SS nor MGT shall be responsible to provide to the District any materials owned by or licensed from third parties (the “Third Party Materials”) that are (i) recommended by A14SS for the District’s procurement or use, (ii) included in the Work Product, or (iii) a useful adjunct to the Work Product. The District shall be responsible, at its sole cost and expense, to obtain appropriate licenses to (i) use, reproduce, distribute, publicly perform, publicly display, modify and prepare derivative works of such Third Party Materials and (ii) obtain a license or sublicense as may be required to obtain any of required rights for such uses. A14SS shall inform the District of all Third Party Materials for which a District license or sublicense may be required, and shall assist the District to secure permission relating to any such

Third Party Materials. A14SS shall also notify the District of any limitations placed on the use of Third Party Materials when used by the District through any sublicense from A14SS.

VII. SPECIAL PROVISIONS

Items checked in this Section are hereby incorporated into this Agreement as terms thereof:

- ☒ **Workers Compensation Insurance** shall be maintained to comply with Colorado statutory provisions, including any required flow down, occupational disease provisions for all employees per statutory requirements, and employer's liability, which must have limits of at least: \$100,000 per accident, \$100,000 disease, each employee and \$500,000 accident/disease policy limit. Such policy shall contain a waiver of subrogation in favor of the District. A14SS shall also require each subcontractor to furnish workers' compensation insurance, including occupational disease provisions for all of the latter's employees, and to the extent not furnished, A14SS accepts full liability and responsibility for subcontractors' employees.
- ☒ **Professional Liability Insurance** shall be maintained with coverage limits for each occurrence or claim of \$2,000,000, if professional services are provided under this Agreement.
- ☒ **Comprehensive General Liability Insurance** shall be maintained to protect A14SS from all claims for bodily injury, including death and all claims for destruction of or damage to property, including loss of use therefrom, arising out of or in connection with any operations under this Agreement, whether such operations be by A14SS or by any subcontractor under it or anyone directly or indirectly employed by A14SS or by a subcontractor. All such insurance shall be written with limits and coverages as specified below and shall be written on an occurrence form:

General Aggregate \$2,000,000

Products - Completed Operations Aggregate \$2,000,000

Each Occurrence \$1,000,000

Personal Injury \$1,000,000

This policy shall be primary insurance, and any insurance carried by the District, its officers, or its employees, or carried by or provided through any insurance pool of the District, shall be excess insurance to that provided by A14SS.

- ☒ **Comprehensive Automobile Liability Insurance** shall be maintained including coverage for liability arising out of any auto (including owner, hired, and non-owned autos), and including coverage for all power mobile equipment used by A14SS on District property, with a combined single limit of \$1,000,000/person, \$1,000,000/accident, and \$1,000,000/property damage. Such insurance shall include a waiver of subrogation in favor of the District. This policy shall be primary insurance, and any insurance carried by the District, its officers, or its employees, or carried by or provided through any insurance pool of the District, shall be excess insurance to that provided by A14SS.
- ☒ **Certificates of Insurance** must be submitted to the District before starting work. Insurance certificates must show coverage of all checked insurance requirements, and must contain an endorsement naming the District as an additional insured. All coverages required herein shall be continuously maintained through the Term of this Agreement, to cover all liability, claims, demands, and other obligations assumed by A14SS pursuant to this Agreement. If the expiration date of the insurance certificate is prior to final completion, A14SS shall provide a new certificate of insurance prior to thirty (30) days from the expiration of the current policy. In case of any claims made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage. A14SS shall require that all of its agents and subcontractors also comply with these insurance requirements. Any and all deductibles or self-insured retentions contained in any insurance policy shall be assumed by and at the sole risk of A14SS.
- ☒ **Sales and Use Taxes.** The District is exempt from the payment of any state, and most municipal, sales and use taxes for materials, supplies, and equipment used in the performance of Services. A14SS shall not include any of these taxes in any professional charges or invoices to the District.
- ☒ **Background Investigations and Finger Printing.** Any employee, contractor, agent or other representative of A14SS, whether or not in paid status, must agree to be finger printed and submit for the District's standard background investigation if that employee, contractor, agent or other representative of A14SS will provide direct services to the District's students or will have unsupervised access to any District student while performing the Services under this Agreement. No person who has been convicted of, pled no contest to, or received a deferred sentence or deferred prosecution for any crime involving a child will be allowed to work on District property, with District staff or students, or have access to District information. A14SS shall pay for the costs of such investigation and fingerprinting utilizing its contracted background check agency or the

Colorado Bureau of Investigation. In its sole discretion, the District may conduct a short-form background check of any employee, contractor, agent or representative of A14SS who will have access to a school building while students are present and who thereby may have incidental contact with students while performing the Services in accordance with its volunteer policy. A14SS shall maintain records of all background investigations undertaken pursuant to this paragraph and provide them to the District upon request. If needed and requested by the District, A14SS agrees to provide the District with the dates of birth and Social Security numbers of its employees, contractors, agents or representatives in order to conduct these background checks. The District shall employ up-to-date and commercially reasonable security measures to ensure the privacy and security of such information.

VIII. TERM AND TERMINATION

This Agreement shall be effective from the Effective Date through September 30, 2023 (the "Expiration Date"), subject to earlier termination as provided in the Agreement. This Agreement may be terminated, in whole or as to any specific Annex, upon written notice to A14SS, for good cause as reasonably determined by the Board, including: 1) a substantial decrease in the performance of the District or the District's schools as measured by the Colorado Department of Education on the District and School Performance Frameworks; 2) the commission of a misdemeanor or felony crime against a District student or District property by any A14SS or MGT employee or contractor; 3) an increase in the performance of the District such that it is rated at the Improvement level or higher by the Colorado Department of Education on the District Performance Framework for at least two consecutive years; 4) an Order from the State Board releasing the District from its obligation to contract with a lead partner EMO in the management of the District or providing for the selection of another lead partner EMO to replace A14SS; and/or 5) a financial inability of the District to appropriate funds necessary to pay A14SS's professional fees. A14SS shall not terminate this Agreement prior to June 15, 2021, without the written consent of the District, other than for nonpayment by the District. After June 15, 2021, this Agreement may be terminated by A14SS for good cause upon written notice to the District and the State Board. Termination of the Services in any Annex, or of the Agreement as a whole, shall be effected by delivery of a termination Notice at least ninety (90) days prior to the termination effective date, specifying the date on which such termination is to become effective. A14SS shall be paid any and all payments due through the termination effective date including any Incentive Payments as defined in any Annex if the goals that underlie the accrual of such Incentive Payments have been materially accomplished. If any Annex provides for reimbursement of costs by the District to A14SS, the District may conduct an audit to determine A14SS's reasonable costs expended to the date of cancellation. A14SS will be reimbursed for the time period of Services provided to the District from the Effective Date to the termination

effective date, as shown in the compensation schedule provided in the applicable Annex, and shall not be reimbursed for any anticipated post-termination profit.

IX. GENERAL PROVISIONS

A. Insurance Requirements

Notwithstanding any other provision of this Agreement, failure on the part of A14SS to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of this Agreement for which the District may immediately terminate this Agreement, or at its discretion, the District may procure or renew any such policy or any extended reporting period thereto and may pay any and all reasonable premiums in connection therewith, and all money so paid by the District shall be repaid by A14SS to the District upon demand. Any and all deductibles or self-insured retentions contained in any insurance policy shall be assumed by and at the sole risk of A14SS.

B. Licenses, Taxes, Permits, and Fees

A14SS shall obtain, at its own expense, all licenses and permits and pay all applicable taxes and fees, in the execution of the terms of this Agreement, including but not limited to excise tax, federal and state and local income taxes, payroll and withholding taxes, unemployment taxes, and worker's compensation payments for its employees, and shall indemnify and hold the District harmless for all claims arising under such taxes and fees.

C. General Indemnification

A14SS agree to indemnify, hold harmless and defend the District, its agents, servants, volunteers, and employees from any and all claims, judgments, costs, and expenses, including but not limited to reasonable attorney's fees, reasonable investigative and discovery costs, court costs, and all other sums which the District, its agents, servants and employees may pay or become obligated to pay on account of any, all and every claim or demand, or assertion of liability, or any claim or action founded thereon, arising or alleged to have arisen out of (i) the Services furnished by A14SS or it or MGT's agents, servants or employees or (ii) the negligence of A14SS or the negligence of A14SS or MGT's agents when acting within the scope of their employment, whether such claims, judgments, costs and expenses be for damages, damage to property including the District's property, and injury or death of any person whether employed by A14SS, the District or otherwise. This indemnification does not cover any obligations, claims,

penalties or other actions imposed upon the District by the Colorado State Board of Education, and does not include all or any portion of claim, demand, judgment, cost, expense and other damage incurred as a result of the District's actions and decisions taken prior to the Effective Date.

The parties understand that under Colorado law, except in very limited circumstances, a public entity cannot indemnify a private entity. Accordingly, only to the extent permitted by Colorado law, the District shall indemnify A14SS, MGT, and their present and former officers, directors, employees and agents (collectively, the "Indemnitees") for reasonable expenses, costs and attorney's fees incurred by A14SS to defend against such claims or actions on behalf of itself, for any loss, judgment or expense which any Indemnatee may incur as the result of any claim, lawsuit, or administrative proceeding, compliance order, or other action made or brought against such Indemnatee or in which such Indemnatee is asked to or must participate, based upon any materials A14SS prepares, publishes or disseminates for the District, and/or based upon information provided or approved by the District prior to its preparation, publication or dissemination, as well as for any claim or suit arising out of the nature or use of the District's products or services or from any Indemnatee's relationship with the District. The indemnification will not apply to losses or expenses that result from any Indemnatee's gross negligence or willful misconduct.

D. Nondisclosure of Confidential Information

Except as required by court order, order of the Colorado State Board of Education, or other legally governing authority, A14SS will not disclose to any third person or entity any records or writings of the District, its employees or students, regardless of the form, that are protected by state or federal law and that may come into A14SS's possession (the "Confidential Information").

A14SS shall ensure that it, its officers, employees and agents only use such Confidential Information in order to perform the Services, and shall not without the District's prior written consent disclose such Confidential Information to any third-party nor use it for any other purpose; provided, however, that A14SS shall have the right to disclose the District's name and the general nature of A14SS's work for the District in pitches and business proposals.

The above obligations of confidentiality shall not apply to the extent that A14SS can show that the relevant information:

- i) was at the time of receipt already in A14SS's possession;
- ii) is, or becomes in the future, public knowledge lawfully or through no fault or omission of A14SS;
- iii) was received from a third-party having the right to disclose it; or

iv) is required to be disclosed by law.

A14SS acknowledges that materials used to perform this Agreement are subject to the Colorado Open Records Act (“CORA”), Colo.Rev.Stat. §§24-72-201 *et seq.* The District shall use due care, to the fullest extent allowed by law, to protect the confidentiality of any information delivered by A14SS or MGT to the District and marked or otherwise identified by A14SS or MGT as a trade secret or business confidential information as those terms are defined or used in CORA (the “EMO Confidential Information”). Notwithstanding the foregoing, if the District receives a written request under CORA for records that may include EMO Confidential Information, the District will give notice to A14SS and MGT within the time limits for response pursuant to CORA. The District shall not have any obligation to defend or initiate district court proceedings to prevent the disclosure of the EMO Confidential Information, but shall cooperate with MGT or A14SS should MGT or A14SS, in MGT or A14SS’ sole discretion and at MGT or A14SS’ sole expense, initiate any action consistent with the requirements of CORA to protect the EMO Confidential Information.

E. Equipment, Facilities, and Supplies.

All educational equipment, facilities and supplies required for the performance of this Agreement shall be the property of, and maintained by, the District. The District shall procure, upon the recommendation of A14SS and in compliance with District purchasing policies unless waived by the Board, those articles of equipment as reasonably required to achieve the outcomes sought through the Services and which fall within the approved budget of the District. The procurement of all other equipment, facilities and supplies recommended by A14SS shall be subject to the Board’s approval and appropriation of funds.

Except for those expenses incurred directly by A14SS to perform the Services (as addressed in Section IV above), all expenses related to the provision of education at the District, including without limitation all instructional materials, building supplies and maintenance, transportation, social services performed by District Staff, labor and other personnel costs of District Staff, and all other expenses of any kind or nature associated with the delivery of educational activities, District management, and use of the facilities at the District shall be the sole responsibility of the District, subject to budgeting and appropriation by the Board, and under no circumstances shall such expenses be the financial responsibility of A14SS or MGT.

F. Non-Solicitation

While this Agreement remains in full force and effect, the District shall not, without A14SS's prior written consent, hire, engage or solicit the employment or services of any person who is actively employed by or an independent contractor of A14SS or MGT except any independent contractor that had been engaged by the District prior to the Effective Date. The District acknowledges that the specialized nature of A14SS's and MGT's proprietary information, trade secrets and other intellectual property are such that a breach of the foregoing covenant would necessarily and inevitably result in disclosure, misappropriation and/or misuse of such proprietary information, trade secrets and other intellectual property and, accordingly, the District acknowledges and agrees that such breach would impose unique and irreparable harm upon A14SS and that A14SS shall be entitled, in addition to its other rights and remedies, to seek, by injunction or decree of specific performance, satisfaction in full of the District's obligations hereunder.

G. Risk

Any analysis, projections, forecasts, or conclusions of A14SS may be issued in reliance on the accuracy of information provided by the District as well as near-term and long-term assumptions influenced by factors outside of A14SS's control and which may adversely impact the District. Changes in the District's financial health, as well as state, local, and global economic conditions, may impact the District, the accuracy of projections or the feasibility of the Services. Additional risks to the District include but are not limited to changes to demand, competition, regulatory changes, or events of disaster. A14SS shall not be liable to the District for impacts to the performance of the Services occasioned by the impact of such risks.

H. Force Majeure

Neither Party shall be liable to the other Party for any loss or damage of any kind or for any default or delay in the performance of its obligations under this Agreement (except for payment obligations) if and to the extent that the same is caused, directly or indirectly, by fire, flood, earthquake, elements of nature, epidemics, pandemics, quarantines, acts of God, acts of war, terrorism, civil unrest or political, religious, civil or economic strife or any other cause beyond a Party's reasonable control.

I. Exclusion of Liability caused by Political or Regulatory Decisions

It is the express Residual Authority of the District to implement the regulatory or political decisions or actions that are required by law or required to exercise the District's political authority and these decisions may adversely affect the District's operations. The District is solely responsible for political decisions and the District's response to

regulatory challenges. A14SS cannot be held responsible for and cannot be held liable to the District for any loss, damage, or other adverse consequence that may result from any regulatory or political decision or action being rendered against A14SS's recommendations.

J. Governing Law and Venue

This Agreement shall be governed by and construed and interpreted in accordance with the laws of the state of Colorado (irrespective of the choice of laws principles of the state of Colorado) as to all matters, including matters of validity, construction, effect, enforceability, performance and remedies. Venue for any dispute concerning the Agreement shall be exclusively in federal court located in Denver, Colorado or state court located in Adams County, Colorado.

K. Dispute Resolution Procedure

1. In the event of a dispute, controversy or claim by and between the District and A14SS or MGT arising out of or relating to this Agreement or matters related to this Agreement, the Parties will first attempt in good faith to resolve through negotiation any such dispute, controversy or claim. Either Party may initiate negotiations by providing written Notice in letter form to the other Party setting forth with particularity the subject of the dispute and the relief requested. The recipient of such Notice will respond in writing within five (5) business days with a statement with particularity of its position on, and recommended solution to, the dispute. If the dispute is not resolved by this exchange of correspondence, then senior management representatives of each Party will meet at a mutually agreeable time and place within fifteen (15) business days of the date of the initial notice in order to exchange relevant information and perspectives and to attempt to resolve the dispute. If the dispute is not resolved by these negotiations, the matter may be submitted to the Judicial Arbiter Group in Denver, Colorado or other mutually agreeable independent mediation service. Any mediation shall take place in Denver, Colorado, unless agreed otherwise. The Parties understand that none of the above offers made on behalf of the District during meditation can be binding as the District is governed by the Board, which is subject to Colorado's Open Meetings Act, Colo.Rev.Stat. §§ 24-6-101 *et seq.* Therefore, the Parties understand that should any settlement offers be made, such offers are made subject to the consideration and possible approval or disapproval by the Board at a public meeting. Except as provided here, no civil action with respect to any dispute, controversy or claim arising out of or relating to this Agreement may be commenced until the matter has been addressed by the negotiation discussed above in this paragraph. Either Party may propose mediation by providing to the other Party a written Notice with request for mediation, setting forth the subject of the dispute and the relief requested. Provided the Parties agree to mediate, they will cooperate in selecting a

mediator and in scheduling the mediation proceedings. The Parties will participate in the mediation in good faith and will share equally in its costs. To the full extent allowed by law, all offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by either of the Parties, their agents, employees, experts or attorneys, or by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the Parties; provided, however, that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in mediation. Mediation may proceed after the commencement of a civil action, if the Parties so desire or if ordered by a court of competent jurisdiction. The provisions of this clause may be enforced in court. In addition, should the dispute under this Agreement involve the failure to pay fees and/or disbursements under Section IV hereof, and the matter proceeds to litigation, the substantially prevailing Party in such litigation shall be entitled to recover from the non-prevailing Party all of the prevailing Party's costs of such litigation including a reasonable attorneys fee, as determined by the presiding court.

2. As required by the Order, the parties acknowledge that for those actions requiring formal actions by the Board, the Board shall give appropriate consideration to the recommendations of A14SS and not unreasonably withhold its approval. If the Board rejects a recommendation of A14SS and the issue is not resolved by the negotiation process discussed above, then the Board shall issue a reasoned, written explanation for its action in the form of a board resolution and shall provide the Colorado Department of Education ("CDE") a copy of the resolution within 14 calendar days of the issuance of the action. In the event the Parties are able to resolve the issue that was the subject of the recommendation and rejection through negotiation, A14SS shall promptly report the resolution to the CDE.

L. Limitation of Liability

Notwithstanding anything else herein to the contrary, both Parties mutually and forever waive the right to recover any consequential, incidental, indirect, special or punitive damages, including, without limitation, loss of future revenue, income or profits, in any legal proceeding(s) arising out of or relating to this Agreement. This waiver shall apply to legal actions sounding in both contract and tort and shall apply whether or not the possibility of such damages has been disclosed in advance or could have been reasonably foreseen. This provision shall not be interpreted to mean that, absent this provision, either Party would have the right to recover any such damages.

M. Undocumented Workers

A14SS certifies that it shall comply with the provisions of Colo.Rev.Stat. § 8-17.5-101 *et seq.* A14SS shall not knowingly (i) employ or contract with an

undocumented worker to perform work under this Agreement, (ii) enter into a contract with a subcontractor that knowingly employs or contracts with an undocumented worker to perform work under this Agreement, or (iii) enter into a contract with a subcontractor that fails to contain a certification to A14SS that the subcontractor shall not knowingly employ or contract with a subcontractor that fails to contain a certification to A14SS that the subcontractor shall not knowingly employ or contract with an undocumented worker to perform work under this Agreement.

N. Compliance with Law and District Policy

The Parties shall abide by all laws, ordinances, rules, regulations, and orders of all governmental agencies or authorities having jurisdiction over the Services, including, without limitation, laws applicable to discrimination and unfair employment practices. A14SS shall abide by all applicable District policies and procedures, including without limitation, those related to the prohibited use and/or possession of alcohol, tobacco or firearms on District grounds. A14SS shall at all times strictly enforce this prohibition among its own employees, agents or subcontractors and their employees, agents or subcontractors. The safety and health of all A14SS employees and agents brought on District property are the sole responsibility of A14SS.

O. Assignment

Neither Party may assign any of its rights or delegate any of its duties or obligations under this Agreement without the express written consent of the other Party. Notwithstanding the foregoing, A14SS, or its permitted successive assignees or transferees, may assign or transfer this Agreement or delegate any rights or obligations hereunder without consent: (i) to MGT or any entity controlled by, or under common control with A14SS, or its permitted successive assignees or transferees; or (ii) to any entity created pursuant to a merger, transfer, sale of assets or change of control or ownership of A14SS, or its successors or transferees, as long as approved by the Board; such approval shall not be unreasonably withheld.

P. Partial Invalidity

In the event that any provision of this Agreement shall be declared illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions hereof, but such illegal or invalid provision shall be fully severable and this Agreement shall be interpreted and enforced as if such illegal or invalid provision had never been included herein.

Q. Notices

All notices required or permitted to be given pursuant to this Agreement (“Notices”) shall be deemed given if and when personally delivered; delivered by email, with receipt confirmed; or delivered by courier or by overnight mail delivery, in writing to the Party or its designated agent or representative at the address stated in this paragraph or at another address designated by the Party.

Adams 14 Schools Succeed, LLC
4320 W. Kennedy Blvd
Tampa, FL 33609
Attention: Louise Lopez, EVP Finance and Accounting
Email: llopez@mgtconsulting.com

MGT of America Consulting, LLC
4320 W. Kennedy Blvd
Tampa, FL 33609
Attention: Louise Lopez, EVP Finance and Accounting
Email: llopez@mgtconsulting.com

If to the District:
Adams County School District 14
5291 East 60th Avenue
Commerce City, CO 80022

Attention: Monica Aviña
Executive Assistant to the Superintendent and Board of Education
Email: meavina@adams14.org

R. Counterparts and Execution

This Agreement and any Annexes may be executed in counterparts, each of which when so executed shall be deemed an original and all of which together shall constitute one and the same instrument. The counterparts of this Agreement may be executed by electronic signature and delivered by facsimile, scanned signature, or other electronic means by any of the Parties to any other Party and the receiving Party may rely on the receipt of this Agreement so executed and delivered as if the original had been received.

S. Survival

Sections VI (Intellectual Property), IX.C. (Indemnification), IX.D. (Nondisclosure), IX.F (Nonsolicitation), IX.K. (Dispute Resolution), IX.L. (Limitation of

Liability), IX.Q. (Notices), IX. U. (Debarment) and IX.X. (Immunities) of this Agreement and the payment obligations described in the Annex(es), subject to Section VIII (Term and Termination), shall continue notwithstanding the termination or expiration of the Agreement or any Annex(es).

T. No Third-Party Beneficiaries

It is expressly understood and agreed that the enforcement of all terms and conditions of this Agreement and all rights and actions relating thereto shall be strictly reserved to the Parties, and nothing herein shall give or allow any claim or right of action to or by any other person or third person to this Agreement.

U. Debarment

A14SS represents and warrants that it is not (i) currently excluded, debarred, or otherwise ineligible to participate in any federal programs by application of any law, rule or regulation of the U.S. General Services Administration; (ii) convicted of a criminal offense related to the provision of items or services to the Federal Government but have not yet been excluded, debarred or otherwise declared ineligible to participate in any such federal programs, or (iii) under investigation or are otherwise aware of any circumstances which may result in exclusion from such participation. This shall be an ongoing representation and warranty during the term of this Agreement and the parties shall immediately notify each other of any change in status of the representation and warranty set forth in this section. Any breach of this paragraph shall give the non-offending party the right to immediately terminate this Agreement for cause.

V. Appropriation

Nothing herein shall constitute a multiple fiscal year obligation pursuant to Colorado Constitution Article X, Section 20. Notwithstanding any other provision of this Agreement, the financial obligations of the District under this Agreement are subject to annual appropriation by the governing body of the District. The District represents that it has appropriated sufficient funds to perform this Agreement in accordance with the terms of the applicable Annexes through June 30, 2020.

W. Entire Agreement

This Agreement and attached Annex(es) constitute the entire and only agreement between the Parties respecting the subject matter hereof. Each Party acknowledges that in entering into this Agreement it has not relied on any representation or undertaking, whether oral or in writing, save such as are expressly incorporated herein. Further, this Agreement may be changed or varied only by a written agreement signed by the Parties.

Any purchase order provided by the District will be limited by, and subject to, the terms and conditions of this Agreement. Additional or contrary terms, whether in the form of a purchase order, invoice, acknowledgement, confirmation or otherwise, will be inapplicable, and the terms of this Agreement will control in the event of any conflict between such terms and this Agreement.

X. Immunities

The District retains all of its rights, immunities, and protections provided under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 *et seq.* For their acts as the authorized agent of the District under the terms of this Agreement, these rights, immunities, and protections shall extend to A14SS and its employees, agents and subcontractors for their performance of the Services to the greatest extent allowed by law.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

AGREED TO AND ACCEPTED:

ADAMS 14 SCHOOLS SUCCEED, LLC

ADAMS COUNTY SCHOOL DISTRICT 14

By:
Its:
Date:

By:
Its:
Date:

**ANNEX NO. 1
TO AGREEMENT DATED
AS OF JUNE 15, 2019**

This Annex No. 1 (this “Annex”) to the Agreement (the “Agreement”) by and between Adams 14 Schools Succeed, LLC (“A14SS”), and Adams County School District 14 (the “District”), is created in furtherance of the Parties’ Agreement and sets forth the Parties’ understanding pursuant to which A14SS shall provide the Services to the District.

I. SCOPE OF WORK

A14SS will provide services outlined below for the period beginning June 15, 2019 through September 30, 2023 as the Lead Partner EMO for the District.

A. General Scope of Services

1) Project Initiation and Pre-2019-20 School Year Planning

Upon execution of the Agreement, A14SS will execute initial planning and preparation tasks including:

- a) Conduct comprehensive needs assessment of district/school organization, student learning, community connection, and resource utilization, to include evaluation of vision, curriculum/instruction, leadership, finances and operational support, socioeconomics and demographic enrollment profiles, support structures.
- b) Document observations through data collection that may include interviews, focus groups, stakeholder surveys, and climate assessments
- c) Prioritize needs of schools and develop strategies for improvement including coaching allocations and areas of focus
- d) Select relevant evidence-based interventions for academic improvement and develop plan for implementation
- e) Identify and evaluate stakeholder array and needs and develop strategy and plan to engage community
- f) Conduct preliminary evaluation of financial circumstances and develop strategy and plan for detailed review and optimization
- g) Conduct preliminary evaluation of human capital and develop strategy and plan for detailed review and optimization

DELIVERABLE 01. Comprehensive Needs Assessment Report, to be submitted within twenty (20) business days after release of 2018-19 State Assessment (CMAS) scores. Summary report providing overview of key District- and school-level academic, environmental, and operational concerns targeted for intervention (either directly by

A14SS or recommended for District intervention) for the 2019-20 academic year or beyond. The comprehensive needs assessment will include (1) identification of key performance metrics and status reporting framework to meet state- and district-level reporting requirements; (2) recommendations for district- and school-level indicators and performance thresholds proposed to be used to assess Agreement performance realization incentives (see Section II, Budget and Compensation); and (3) an initial implementation plan to direct A14SS and District efforts for the 2019-20 school year, subject to ongoing revision as additional data are collected and circumstances are further analyzed and understood.

Note that the Comprehensive Needs Assessment Report cannot include any direct classroom or other active school year observations of operations due to initiation of the A14SS Agreement occurring after the close of the 2018-2019 school year. Instead, it will rely upon District- and state-provided data and reporting, supplemented by interviews, focus groups, or surveys of available personnel and stakeholders to provide the best available initial insights into District and school operations and effectiveness leading up to the start of the 2019-2020 school year. Deliverable 02, the Gap Analysis Report, will supplement the Comprehensive Needs Assessment Report with the lacking direct observation, which can then be incorporated into perspectives and strategies designed to turn around school performance.

Term: Both Project Initiation and Pre-2019-20 School Year Planning and Deliverable 01 to be completed during the first year of the Agreement only. Needs are successively transitioned and fulfilled by the Gap Analysis Report, Year-End Summary Reports, and regular status reporting through successive phases of the project.

2) Executive Project and District Support

Ensure overall execution of project and manage executive district and other relationships, including:

- a) Implementing an evidence-based instructional program, including developing/recommending curriculum, assessment systems, scheduling, and professional development;
- b) Recruiting and retaining personnel, including responsibilities formerly entrusted to the superintendent, such as: teacher and administrator placement, transfer, and evaluation; recommending to the local board the non-renewal or renewal of employment contracts, action on at-will employees, and action on the superintendent's contract; and employee group negotiations;
- c) Recruiting and recommending to the local board management operators needed for individual schools, as well as any service providers needed to support particular programs;
- d) Recommending to the local board needed changes to the District's collective bargaining agreement ahead of each annual process for amending said agreement;

- e) Evaluating district policies and recommending amendments, revisions, or deletions to the local board policies;
- f) Ensuring operational excellence, coordinating community engagement efforts, supporting local governance training, and, ultimately, driving substantive school and District improvement; and
- g) Determining whether to continue provisions of the Revised Pathways Proposal from 2017, including but not limited to the District's partnership with Beyond Textbooks.

Term: Executive Project and District Support continues from the initiation of the Agreement through the end of the term of the Agreement.

3) Turnaround Design and Management

A14SS will design and manage a turnaround program including:

- a) Design and monitor turnaround strategy at district, school building, and classroom levels to ensure realization of goals while building site capacity to sustain growth beyond the partnership
- b) Work with teachers and administrators to identify progress and trends of the students, ensuring there is a strong understanding of students' needs and what strategies are needed to make content comprehensive for these students.
- c) Facilitate collaborative monthly meetings with leaders and teachers in high needs areas to focus specifically on student progress and challenges to success.
- d) Use the principles of restorative practices to develop a culture that is student centered and based on continuous growth. To assess the current culture and climate, A14SS surveys stakeholder on attitudes and perceptions and then works with the district or school to analyze the results, create priorities and ultimately a vision and mission that reflects these beliefs.

Term: Turnaround Design and Management continues from the initiation of the Agreement through the end of the term of the Agreement

DELIVERABLE 02. Gap Analysis Report, to be submitted by October 31, 2019. This report will provide a gap analysis supplementing the Comprehensive Needs Assessment Report (Deliverable 01) through incorporation of direct district, school building, and classroom observations and analysis by the project team, with a focus on addressing high needs functions and populations to allow the team to validate needs assessment findings, identify other themes, and align the appropriate supports necessary to position each student for success, including descriptions of instructional and assessment strategy for ongoing assessment and improvements to student learning.

Term: Deliverable 02 to be completed during the first year of the Agreement only. Needs are successively transitioned and fulfilled by Year-End Summary Reports and regular status reporting through successive phases of the project.

DELIVERABLE 03. Culture and Climate Plan, to be submitted by December 13, 2019.

Create a rollout plan with strategies to share the vision, mission and expectations for adults and students. Key attributes of the plan are collaboration sessions with stakeholders, training dates and topics, and specific curriculum resources and school programs to support the plan. Also built into the plan are follow up surveys and progress monitoring benchmarks.

Term: Deliverable 03 to be completed during the first year of the Agreement only. Needs are successively transitioned and fulfilled by Year-End Summary Reports and regular status reporting through successive phases of the project.

DELIVERABLE 04. Monthly Status Reporting Template(s), to be submitted by July 31, 2019. The status reporting template(s) will include data elements necessary to support State Board/Colorado Department of Education requirements and Adams County School District 14 requirements for monitoring and oversight, and provide sufficient information for effective management of the turnaround program, to be based on information readily accessible to A14SS for reporting through regular, defined District and/or project operations. The general framework and format of these status reports may be revisited and adjusted incrementally at the end of each school year, though not in a manner that will erode the year over year comparability of metrics included in reporting.

Term: Deliverable 04 to be completed during the first year of the Agreement only. Needs are successively transitioned and fulfilled by regular status reporting through successive phases of the project.

DELIVERABLES 05 through 14 (School Year 2019-20 – September through June); 16 through 25 (School Year 2020-21 – September through June); 27 through 36 (School Year 2021-22 – September through June); and 38 through 47 (School Year 2022-23 – September through June). Monthly Status Reports, reflecting the prior month's project activity and status reporting on relevant metrics and key performance indicators, extending from August 2019 through the end of the project, to be submitted by the fifth business day of each month. The reporting will fulfill State Board/ Colorado Department of Education and Adams County School District 14 requirements, as per the agreed upon format devised as part of Deliverable 04.

Term: Monthly Status Reports to be submitted to reflect activity from September through May for the duration of the Agreement (beginning September 2019 extending through June 2023).

DELIVERABLES 15, 26, 37, 48. Year-End Summary Reports, to be submitted twenty (20) business days after release of prior year state assessment data. After publication of relevant student test scores and other critical performance data, A14SS will compile a year end perspective of the status and progress of the District and encompassed schools highlighting key accomplishments and remaining challenges identified over the course of the first year. The Year End Summary Report will also include strategic guidance in terms of the targeted interventions planned for the following school year to achieve maximum trajectory

in academic improvement within the available project and district resources.

Term: Year-End Summary Reports to be submitted twenty (20) days following the release of State Assessment (CMAS) scores, following the school year of performance (2020 through 2023).

DELIVERABLE 49. Colorado Department of Education Report for Adams City High School.

The report shall address possible further actions for Adams City High School, to be submitted no later than September 1, 2019, to the Board and the State Board. The Report shall address possible further actions for Adams City High School, including management by an additional external entity, conversion to a charter school, or recommendation for innovation status.

DELIVERABLE 50. Colorado Department of Education Report for Central Elementary School.

The report shall address possible further actions for Central Elementary School, to be submitted no later than September 1, 2019, to the Board and the State Board. The Report shall address possible further actions for Central Elementary School, including management by an additional external entity, conversion to a charter school, or recommendation for innovation status.

Term: June 15 – September 1, 2019.

4) District and School Leadership Development and Support

A14SS will work to develop leadership in the District through the following:

- a) Provide individualized leadership coaching specific to the needs of administrators, lead team members, and district personnel. Our customized leadership rubrics provide a roadmap for administrators to increase their effectiveness as leaders, building upon their strengths while addressing areas in need of development. At the onset of the partnership, leaders complete a leadership self-study, which is then analyzed and calibrated against our leadership rubrics. Based on the results, leaders participate in goal setting with an A14SS mentor. During the relationship, the leader participates in individual and group professional development and coaching. Goals are established using this rubric and progress is monitored throughout the partnership. A14SS partners with district leadership to develop profiles of effective school leaders and pathways for current staff.
- b) Assess and implement actions to improve leadership, support and accountability, conditions for effective talent management, and effective instructional infrastructure
- c) Offer consultation and technical assistance to help the district and campus address any obstacles, be it in-person, over-the-phone or electronically to assist in resolution

of any concerns that may impair the success of the initiative, particularly during the first year.

- d) Provide a framework through which districts can lead their own school needs assessments, thereby building the district capacity.

Term: District and School Leadership Development and Support continues from the initiation of the Agreement through end of term of the Agreement.

5) Math, ELA, and Other (SEL, ESL, ECE) Coaching and Related Support

Use research-based, proven practices to enhance district teaching. Key aspects of support will include:

- a) Instruction. Build teacher capacity by developing a common vision of effective instruction emphasizing an understanding of the rigor of the standards and instructional pedagogy. Process includes whole school professional development, collaboration meetings by grade level or content area, models of proficiency, onsite coaching to introduce and apply evidenced based effective strategies, build instructional capacity and utilize assessment data to drive achievement.
- b) Standards. Evaluate standards including audit of curriculum to develop common curriculum including maps and pacing guidelines and provide coaching in differentiation and scaffolding of instruction.
- c) Data. Identify and implement data collection and analytics to effectively measure, inform, and monitor impacts and progress of interventions on student performance with respect to curriculum and instruction
- d) Instructional Model. Enhance instructional model, combining aspects of Fisher and Frey's Gradual Release models, incorporating inclusive cooperative learning strategies.
- e) Assessment. Facilitate the development of a district plan for ongoing assessment including vision, purpose and processes to use to leverage data.
- f) Coaching: Model, co-teach, and provide feedback to instructional staff to build efficacy, including pre-visit sessions, data collection and analysis, provision of feedback, and planning for next steps.
- g) Provide both technical assistance and professional development to improve the structure and instruction for ELLs.

Term: Math, ELA, and Other (SEL, ESL, ECE) Coaching and Related Support continues from the initiation of the Agreement through end of the term of the Agreement.

6) District Financial Assessment and Optimization

- a) A14SS will examine key financial information from available District resources to understand payroll, benefits, vendor relationships, major federal and state awards/contracts, and internal controls to identify inefficiencies for remediation, cost-

savings, or better yield for District operations, in an effort to optimize District financial position to allow focused support and investment into academic performance and improvement.

Note that the project resources dedicated to the above are dependent on available, accurate information in the possession of District officials provided to A14SS in a timely manner that includes no materially inaccurate or fraudulent information. If investigation reveals material inaccuracies or fraudulent information, a more significant effort and investment of resources may be required to yield desired positive impact to the District's deployable resources.

Term: District Financial Assessment and Optimization occurs in the first year of the agreement. Successive efforts may be negotiated if broader needs are identified beyond initial evaluation.

7) Project and District Human Capital Development

- a) A14SS will commit the expertise of its Human Capital and personnel recruiting staff to support District recruitment of talent to key positions in District, school administration, and classroom openings. A14SS staff will work with District personnel to provide advice, tools, and strategies for filling vacancies to enhance the overall talent base of the District to support academic turnaround.

Term: Project and District Human Capital Development continues from the initiation of the Agreement through end of term of the Agreement.

8) Project and District Communications Support

- a) A14SS will deploy communications strategy and project team support to ensure students, parents and families, District team members, State Board and Colorado Department of Education officials, and other community stakeholders are adequately informed of project activities and achievements to ensure maximum support and collaboration from the community.

Term: Project and District Communications support continues from the initiation of the Agreement through end of term of the Agreement

9) Project Management and Related Support

- a) A14SS will effectively manage the personnel and other resources of the project within the budgeted expenses and established timelines, relying on standards of management appropriate for a project of this scale in terms of time, cost, scope, human resources, quality, communications, risk, and other facets of management. The District will be included in facets of project management as input, escalation, or

direction, or change management is required for the successful delivery of contracted services.

Term: Project Management support continues from the initiation of the Agreement through end of term of the Agreement.

B. Staffing

A14SS will assign on-site and remote staff capable of fulfilling the duties outlined within the Scope of Work noted above. A14SS may add staff or roles as needed to address the Agreement Scope. Staff assignments may reasonably change throughout the term of the Agreement based on conditions required to achieve the objectives of the Agreement. The initial plan for fulfilling the Scope of Work is provided in the tables that follow, noting that A14SS's assessment of circumstances and needs upon initiation of the Services may result in shifting of resources as necessary to successfully deliver the expected results of the engagement.

ESTIMATED STAFFING ALLOCATION BY PROJECT FUNCTION

PROJECT FUNCTION	ESTIMATED FTE ASSIGNMENTS*	ESTIMATED HOURS
Executive Turnaround Leadership and District Support	1.1	2,100
District and School Leadership Development, incl. UVA PLE	5.2	10,800
Instructional Coaching and Support, incl. Schools Cubed**	6.6	13,700
Math Coaching and Instructional Support	3.0	6,200
ELA Coaching and Instructional Support	3.0	6,200
SEL, ESL, ECE, and Other Instructional Support	0.6	1,200
Project Management and Communications	2.2	4,600

*Note that multiple staff will collectively fulfill FTE allocations.

**Instructional coaching FTE allocations apply to active school year. Some FTEs assigned to Math and ELA will be cross-trained and capable of providing other instructional coaching and support.

PROJECT LEADERSHIP ALLOCATION AND ROLES

STAFF MEMBER	ESTIMATED FTE ALLOCATION*	ROLE
Harry Bull	0.35	Oversight of overall project and other members of project leadership team, support for central district operations, and interfacing with District Board and Colorado Department of Education
Babette Moreno	0.20	Design and oversight of instructional coaching and curriculum improvements
Don Rangel	0.60	Serve as project director providing primary support for central District operations, with direct support to priority schools as needs are identified, including development and mentorship of principals
Cindy Stevenson	1.00	Collaborating to provide support for central District operations, with direct support to priority schools as needs are identified, including development and mentorship of principals
Kate Greeley	0.60	Dedicated support to middle school leadership, including development and mentorship of principals
Ron Cabrera	1.00	Dedicated support to elementary school leadership, including development and mentorship of principals
Ron Peterson	1.00	Dedicated support to high school leadership, including development and mentorship of principals

*All leadership FTE allocations are expected to be deployed full-time on-site for the substantial majority of effort.

II. BUDGET AND COMPENSATION

Year 1 of the Agreement commences on June 15, 2019, the “Effective Date” as set out in the Agreement and continues until September 30, 2020 (to ensure ability to deliver Year-End Summary Report twenty days after release of state assessment data). Remuneration under this Agreement for Year 1 of the term of the Agreement, for professional services, reasonable and necessary travel expenses and other expenses arising from the performance of the duties set forth in the Scope of Services shall not exceed a Base amount of \$3,465,000.

In addition to the Base amount, in Year 1 of the Agreement, A14SS may receive “Tier One” Performance incentives of up to \$385,000 through achievement of the following:

TIER ONE PERFORMANCE INCENTIVES

ACADEMIC ACHIEVEMENT INDICATORS:

1. CMAS – English Language Arts – Mean Scale Score – Year-Over-Year Improvement – District Overall
2. CMAS – Math – Mean Scale Score – Year-Over-Year Improvement – District Overall
3. CMAS – English Language Arts – Mean Scale Score – Year-Over-Year Improvement – Adams City High School
4. CMAS – Math – Mean Scale Score – Year-Over-Year Improvement – Adams City High School
5. CMAS – English Language Arts – Mean Scale Score – Year-Over-Year Improvement – Central Elementary School
6. CMAS – Math – Mean Scale Score – Year-Over-Year Improvement – Central Elementary School
7. *Improved Graduation Rate – cannot be measured in Year 1 due to lagging data. To be considered for inclusion in Year 2 incentive structure.*

ACADEMIC GROWTH INDICATORS:

8. CMAS – English Language Arts – Median Growth Percentile/Rate – Year-Over-Year Improvement – District Overall
9. CMAS – Math – Median Growth Percentile/Rate – Year-Over-Year Improvement – District Overall
10. CMAS – English Language Arts – Median Growth Percentile/Rate – Year-Over-Year Improvement – Adams City High School
11. CMAS – Math – Median Growth Percentile/Rate – Year-Over-Year Improvement – Adams City High School
12. CMAS – English Language Arts – Median Growth Percentile/Rate – Year-Over-Year Improvement – Central Elementary School
13. CMAS – Math – Median Growth Percentile/Rate – Year-Over-Year Improvement – Central Elementary School

LEADING ACADEMIC PROGRESS INDICATORS:

14. Improved Student Performance Based On Agreed Upon Progress Monitoring Tools (such as STAR) – District Overall
15. Improved Student Performance Based On Agreed Upon Progress Monitoring Tools (such as STAR) – By School (Incentive payment to be prorated based on number of schools demonstrating improvement divided by eleven.)
16. Improved Student Attendance Relative to Agreed Upon Baseline for Prior Year – District Overall
17. Improved Student Attendance Relative to Agreed Upon Baseline for Prior Year – by School (Incentive payment to be prorated based on number of schools demonstrating

improvement divided by eleven.)

18. *Decreased Dropout Rate – cannot be measured in Year 1 due to lagging data. To be considered for inclusion in Year 2 incentive structure.*

Year 2 of the Agreement will include a Base compensation of \$2,772,000. Performance incentives over and above the Base compensation will follow the same proportionate amounts noted above for Year 1, but totaling \$308,000 in possible incentives. Indicators #7 and #18 may be substituted for some portion of the total allocated Performance incentives if mutually agreed upon by both parties prior to September 1, 2020.

Year 3 of the Agreement will include a Base compensation of \$1,390,674, while Year 4 of the Agreement will include a Base compensation of \$687,991.

TIER TWO PERFORMANCE INCENTIVES

A14SS will also be eligible for additional “Tier Two” Performance incentives from the initiation of the contract through Years 3 and 4 of the Agreement, respectively, to be driven by the Colorado Department of Education’s District Performance Framework (DPF) and School Performance Framework (SPF):

1. For the District’s overall initial achievement of a year-end DPF rating of “Improvement” by or before the end of the 2021-22 school year, A14SS shall be compensated an additional \$100,000.
2. When any school that was assigned an SPF rating of “Turnaround” or “Priority Improvement” in 2018-19 initially obtains a rating of “Improvement,” by or before the end of 2021-22 (Year 3 of the Agreement), A14SS shall be compensated a proportionate share of \$400,000.
 - a. For example, if 4 schools are rated “Priority Improvement” as of the 2018-19 reporting period, and 3 of those schools are rated “Improvement” by 2020-21, A14SS would be compensated $(3/4) \times \$400,000 = \$300,000$.
3. For the initial achievement by the District of a year-end DPF rating of “Performance” or better by or before the end of the 2022-23 school year (Year 4), A14SS shall be compensated an additional \$100,000. If A14SS has not earned the Tier Two incentive #1 noted above, it shall be compensated \$200,000 upon initial District achievement of a “Performance” or better rating by 2022-23.
4. When any school that was assigned an SPF rating of “Turnaround,” “Priority Improvement,” or “Improvement” in 2018-19 initially obtains a rating of “Performance”

or better by or before the end of 2022-23, A14SS shall be compensated an additional proportionate share of \$400,000.

For example, if 8 schools were rated “Priority Improvement” or “Improvement” as of 2018-19, and by the end of 2020-21 (Year 2), 3 of these schools have attained a rating of “Performance,” A14SS shall be compensated an additional $(3/8) \times \$400,000 = \$150,000$.

5. If the rating of any school for which A14SS was compensated via a Tier Two bonus (see #1 through #4 above) decreases during the term of the Agreement, the associated dollar amount that was awarded as an incentive will be reimbursed to the District. The incentive can be recovered in a successive year within the Term of the Agreement if the school returns to the performance threshold within the overall prescribed timelines for the incentive.

If the 2018-19 CDE DPF or SPF assessments render any of the Tier 2 performance incentives unattainable, A14SS and the District will renegotiate allocation of the full amount of incentives to commensurate benchmarks of improvement by September 1, 2019.

The full array of Base and Performance incentive compensation payments are summarized in the table below:

Component	Year 1	Year 2	Year 3	Year 4
Base	\$3,465,000	\$2,772,000	\$1,390,674	\$687,991
Tier 1 Performance	\$385,000	\$308,000		
Tier 2 Performance*			\$500,000	\$500,000

*Tier 2 Performance bonuses may be realized at any time leading up to the noted years based on District or school achievement of applicable performance ratings in preceding year-end assessments.

The baseline measures and associated schedules for release of Tier One Performance incentives are detailed in the tables that follow. The baseline described in the tables represents the standard against which improvement for the given year or time period will be measured against.

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Adams County School District 14
Adams 14 Schools Succeed, LLC

CONTRACT YEAR 1, TIER 1 PERFORMANCE INCENTIVES

#	Incentive	Baseline Measure(s)	2019-20 RELEASE SCHEDULE Mid-Year 02/01/20	End-Year 06/01/20	CDE Report 08/31/20	Year 1 Total	Percent of Tier
TIER ONE PERFORMANCE INCENTIVES			\$61,600.00	\$61,600.00	\$261,800.00	\$385,000.00	100.0%
ACADEMIC ACHIEVEMENT INDICATORS:					\$130,900.00	\$130,900.00	
1	CMAS - English Language Arts - Mean Scale Score - Year-Over-Year Improvement - District Overall	2018-19			\$26,950.00	\$26,950.00	7.0%
2	CMAS - Math - Mean Scale Score - Year-Over-Year Improvement - District Overall	2018-19			\$26,950.00	\$26,950.00	7.0%
3	CMAS - English Language Arts - Mean Scale Score - Year-Over-Year Improvement - Adams City High School	2018-19			\$19,250.00	\$19,250.00	5.0%
4	CMAS - Math - Mean Scale Score - Year-Over-Year Improvement - Adams City High School	2018-19			\$19,250.00	\$19,250.00	5.0%
5	CMAS - English Language Arts - Mean Scale Score - Year-Over-Year Improvement - Central Elementary School	2018-19			\$19,250.00	\$19,250.00	5.0%
6	CMAS - Math - Mean Scale Score - Year-Over-Year Improvement - Central Elementary School	2018-19			\$19,250.00	\$19,250.00	5.0%
7	Improved Graduation Rate*				\$0.00	\$0.00	0.0%
ACADEMIC GROWTH INDICATORS:					\$130,900.00	\$130,900.00	
8	CMAS - English Language Arts - Median Growth Percentile/Rate - Year-Over-Year Improvement - District Overall	2018-19			\$26,950.00	\$26,950.00	7.0%
9	CMAS - Math - Median Growth Percentile/Rate - Year-Over-Year Improvement - District Overall	2018-19			\$26,950.00	\$26,950.00	7.0%
10	CMAS - English Language Arts - Median Growth Percentile/Rate - Year-Over-Year Improvement - Adams City High School	2018-19			\$19,250.00	\$19,250.00	5.0%
11	CMAS - Math - Median Growth Percentile/Rate - Year-Over-Year Improvement - Adams City High School	2018-19			\$19,250.00	\$19,250.00	5.0%
12	CMAS - English Language Arts - Median Growth Percentile/Rate - Year-Over-Year Improvement - Central Elementary School	2018-19			\$19,250.00	\$19,250.00	5.0%
13	CMAS - Math - Median Growth Percentile/Rate - Year-Over-Year Improvement - Central Elementary School	2018-19			\$19,250.00	\$19,250.00	5.0%
LEADING ACADEMIC PROGRESS INDICATORS:			\$61,600.00	\$61,600.00		\$123,200.00	
14	Improved Student Performance Based On Agreed Upon Progress Monitoring Tools (such as STAR) - District Overall	(1) Mid year vs. Beginning year; (2) End year vs. Mid year	\$15,400.00	\$15,400.00		\$30,800.00	8.0%
15	Improved Student Performance Based On Agreed Upon Progress Monitoring Tools (such as STAR) - By School (Incentive payment to be prorated based on number of schools demonstrating improvement divided by eleven.)	(1) Mid year vs. Beginning year; (2) End year vs. Mid year	\$15,400.00	\$15,400.00		\$30,800.00	8.0%
16	Improved Student Attendance Relative to Agreed Upon Baseline for Prior Year - District Overall	Average Daily Attendance - (1) Jan 2020 vs. Jan 2019; (2) May 2020 vs. May 2019	\$15,400.00	\$15,400.00		\$30,800.00	8.0%
17	Improved Student Attendance Relative to Agreed Upon Baseline for Prior Year - by School (Incentive payment to be prorated based on number of schools demonstrating improvement divided by eleven.)	Average Daily Attendance - (1) Jan 2020 vs. Jan 2019; (2) May 2020 vs. May 2019	\$15,400.00	\$15,400.00		\$30,800.00	8.0%
18	Decreased Dropout Rate*						

*Cannot be measured in Year 1 due to reporting lag for statistics. To be considered for inclusion in Year 2 of Tier 1 incentive structure if mutually agreed upon by both parties.

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CONTRACT YEAR 2, TIER 1 PERFORMANCE INCENTIVES

		2020-21 RELEASE SCHEDULE						
#	Incentive	Baseline Measure(s)	Mid-Year 02/01/21	End-Year 06/01/21	CDE Report 08/31/21	Year 1 Total	Percent of Tier	
TIER ONE PERFORMANCE INCENTIVES			\$49,280.00	\$49,280.00	\$209,440.00	\$308,000.00	100.0%	
ACADEMIC ACHIEVEMENT INDICATORS:					\$104,720.00	\$104,720.00		
1	CMAS - English Language Arts - Mean Scale Score - Year-Over-Year Improvement - District Overall	2019-20			\$21,560.00	\$21,560.00	7.0%	
2	CMAS - Math - Mean Scale Score - Year-Over-Year Improvement - District Overall	2019-20			\$21,560.00	\$21,560.00	7.0%	
3	CMAS - English Language Arts - Mean Scale Score - Year-Over-Year Improvement - Adams City High School	2019-20			\$15,400.00	\$15,400.00	5.0%	
4	CMAS - Math - Mean Scale Score - Year-Over-Year Improvement - Adams City High School	2019-20			\$15,400.00	\$15,400.00	5.0%	
5	CMAS - English Language Arts - Mean Scale Score - Year-Over-Year Improvement - Central Elementary School	2019-20			\$15,400.00	\$15,400.00	5.0%	
6	CMAS - Math - Mean Scale Score - Year-Over-Year Improvement - Central Elementary School	2019-20			\$15,400.00	\$15,400.00	5.0%	
7	Improved Graduation Rate*	2018-19				\$0.00	0.0%	
ACADEMIC GROWTH INDICATORS:			\$0.00	\$0.00	\$104,720.00	\$104,720.00		
8	CMAS - English Language Arts - Median Growth Percentile/Rate - Year-Over-Year Improvement - District Overall	2019-20			\$21,560.00	\$21,560.00	7.0%	
9	CMAS - Math - Median Growth Percentile/Rate - Year-Over-Year Improvement - District Overall	2019-20			\$21,560.00	\$21,560.00	7.0%	
10	CMAS - English Language Arts - Median Growth Percentile/Rate - Year-Over-Year Improvement - Adams City High School	2019-20			\$15,400.00	\$15,400.00	5.0%	
11	CMAS - Math - Median Growth Percentile/Rate - Year-Over-Year Improvement - Adams City High School	2019-20			\$15,400.00	\$15,400.00	5.0%	
12	CMAS - English Language Arts - Median Growth Percentile/Rate - Year-Over-Year Improvement - Central Elementary School	2019-20			\$15,400.00	\$15,400.00	5.0%	
13	CMAS - Math - Median Growth Percentile/Rate - Year-Over-Year Improvement - Central Elementary School	2019-20			\$15,400.00	\$15,400.00	5.0%	
LEADING ACADEMIC PROGRESS INDICATORS:			\$49,280.00	\$49,280.00	\$0.00	\$98,560.00		
			(1)	(2)				
14	Improved Student Performance Based On Agreed Upon Progress Monitoring Tools (such as STAR) - District Overall	(1) Mid year vs. Beginning year; (2) End year vs. Mid year	\$12,320.00	\$12,320.00		\$24,640.00	8.0%	
15	Improved Student Performance Based On Agreed Upon Progress Monitoring Tools (such as STAR) - By School (Incentive payment to be prorated based on number of schools demonstrating improvement divided by eleven.)	(1) Mid year vs. Beginning year; (2) End year vs. Mid year	\$12,320.00	\$12,320.00		\$24,640.00	8.0%	
16	Improved Student Attendance Relative to Agreed Upon Baseline for Prior Year - District Overall	Average Daily Attendance - (1) Jan 2021 vs. Jan 2020; (2) May 2021 vs. May 2020	\$12,320.00	\$12,320.00		\$24,640.00	8.0%	
17	Improved Student Attendance Relative to Agreed Upon Baseline for Prior Year - by School (Incentive payment to be prorated based on number of schools demonstrating improvement divided by eleven.)	Average Daily Attendance - (1) Jan 2021 vs. Jan 2020; (2) May 2021 vs. May 2020	\$12,320.00	\$12,320.00		\$24,640.00	8.0%	
18	Decreased Dropout Rate*	2018-19				\$0.00	0.0%	

*Cannot be measured in Year 1 due to reporting lag for statistics. To be considered for inclusion in Year 2 of Tier 1 incentive structure if mutually agreed upon by both parties.

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Adams 14 Schools Succeed, LLC

Including both Base and Performance components, the Compensation payment schedule for the term of the Agreement shall be as follows:

CONTRACT YEAR 1 INVOICING SCHEDULE

Year 1	Invoice Amount
Initiation	\$346,500.00
7/1/2019	\$239,884.62
8/1/2019	\$239,884.62
9/1/2019	\$239,884.62
10/1/2019	\$239,884.62
11/1/2019	\$239,884.62
12/1/2019	\$239,884.62
1/1/2020	\$239,884.62
2/1/2020	Base: \$239,884.62 *Tier 1: Up to \$61,600.00
3/1/2020	\$239,884.62
4/1/2020	\$239,884.62
5/1/2020	\$239,884.62
6/1/2020	Base: \$239,884.62 *Tier 1: Up to \$61,600.00
7/1/2020	\$239,884.62
8/31/2020	*Tier 1: Up to \$261,800.00 **Tier 2: Up to \$1,000,000.00

*Represents a not-to-exceed value for associated Tier 1 incentives.

**Represents a cumulative not-to-exceed value over the term of the agreement, with the full amount of Tier 2 incentives only realized if all schools previously rated “Priority Improvement” and “Improvement” in 2018-19, and the District overall, were rated by the CDE as “Performance” for the applicable year’s assessments.

CONTRACT YEAR 2 INVOICING SCHEDULE

Year 2	Invoice Amount
Initiation	\$277,200.00
8/1/2020	\$207,900.00
9/1/2020	\$207,900.00
10/1/2020	\$207,900.00
11/1/2020	\$207,900.00
12/1/2020	\$207,900.00
1/1/2021	\$207,900.00
2/1/2021	Base: \$207,900.00 *Tier 1: \$49,280.00
3/1/2021	\$207,900.00
4/1/2021	\$207,900.00
5/1/2021	\$207,900.00
6/1/2021	Base: \$207,900.00 *Tier 1: \$49,280.00
7/1/2021	\$207,900.00
8/31/2021	*Tier 1: \$209,440.00 **Tier 2: Up to \$1,000,000.00

* Represents a not-to-exceed value for associated Tier 1 incentives.

**Represents a cumulative not-to-exceed value over the term of the agreement, with the full amount of Tier 2 incentives only realized if all schools previously rated “Priority Improvement” and “Improvement” in 2018-19, and the District overall, were rated by the CDE as “Performance” for the applicable year’s assessments.

CONTRACT YEAR 3 INVOICING SCHEDULE

Year 3	Invoice Amount
Initiation	\$139,067.40
8/1/2021	\$104,300.55
9/1/2021	\$104,300.55
10/1/2021	\$104,300.55
11/1/2021	\$104,300.55
12/1/2021	\$104,300.55
1/1/2022	\$104,300.55
2/1/2022	\$104,300.55
3/1/2022	\$104,300.55
4/1/2022	\$104,300.55
5/1/2022	\$104,300.55
6/1/2022	\$104,300.55
7/1/2022	\$104,300.55
8/31/2022	**Tier 2: Up to \$1,000,000.00

**Represents a cumulative not-to-exceed value over the term of the agreement, with the full amount of Tier 2 incentives only realized if all schools previously rated “Priority Improvement” and “Improvement” in 2018-19, and the District overall, were rated by the CDE as “Performance” for the applicable year’s assessments.

CONTRACT YEAR 4 INVOICING SCHEDULE

Year 4	Invoice Amount
Initiation	\$68,799.04
8/1/2022	\$51,599.33
9/1/2022	\$51,599.33
10/1/2022	\$51,599.33
11/1/2022	\$51,599.33
12/1/2022	\$51,599.33
1/1/2023	\$51,599.33
2/1/2023	\$51,599.33
3/1/2023	\$51,599.33
4/1/2023	\$51,599.33
5/1/2023	\$51,599.33
6/1/2023	\$51,599.33
7/1/2023	\$51,599.33
8/31/2023	**Tier 2: Up to \$600,000.00

**Represents a cumulative not-to-exceed value over the term of the agreement, with the full amount of Tier 2 incentives only realized if all schools previously rated “Priority Improvement” and “Improvement” in 2018-19, and the District overall, were rated by the CDE as “Performance” for the applicable year’s assessments. The \$400,000 in incentive payments associated school achievement ratings of “Improvement” (as described in item #2 under the Tier 2 description) are no longer eligible to be awarded in Year 4 of the contract.

Should the Parties negotiate any Annex to include additional Services (other than Services subject to Incentive Payments), then compensation for such Services shall be paid based upon monthly reports of the dates of Services provided, submitted on invoices as described in Section IV of the Agreement (Fees and Disbursements).

Upon execution by the Parties, this Annex No. 1 to the Agreement is incorporated by reference in and subject to the terms and conditions set forth in the Agreement.

[Signature page follows.]

Agreement
Adams County School District 14
Adams 14 Schools Succeed, LLC

AGREED TO AND ACCEPTED:

ADAMS 14 SCHOOLS SUCCEED, LLC

By:

Its: _____

Date: _____

ADAMS COUNTY SCHOOL DISTRICT 14

By:

Its: _____

Date: _____